

EMBARGOED UNTIL RELEASE AT 8:30 A.M. EST, WEDNESDAY, DECEMBER 21, 2005

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GROSS DOMESTIC PRODUCT: THIRD QUARTER 2005 (FINAL)
CORPORATE PROFITS: THIRD QUARTER 2005 (FINAL)

Real gross domestic product -- the output of goods and services produced by labor and property located in the United States -- increased at an annual rate of 4.1 percent in the third quarter of 2005, according to final estimates released by the Bureau of Economic Analysis. In the second quarter, real GDP increased 3.3 percent.

The GDP estimates released today are based on more complete source data than were available for the preliminary estimates issued last month. In the preliminary estimates, the increase in real GDP was 4.3 percent (see "Revisions" on page 3).

The major contributors to the increase in real GDP in the third quarter were personal consumption expenditures (PCE), equipment and software, federal government spending, and residential fixed investment. The contributions of these components were partly offset by a negative contribution from private inventory investment. Imports, which are a subtraction in the calculation of GDP, increased.

The acceleration in real GDP growth in the third quarter primarily reflected a smaller decrease in private inventory investment and accelerations in PCE and in federal government spending that were partly offset by a deceleration in exports, an upturn in imports, and decelerations in state and local government spending and in residential fixed investment.

Final sales of computers contributed 0.16 percentage point to the third-quarter growth in real GDP after contributing 0.32 percentage point to the second-quarter growth. Motor vehicle output contributed 0.56 percentage point to the third-quarter growth in real GDP after subtracting 0.01 percentage point from the second-quarter growth.

NOTE.--Quarterly estimates are expressed at seasonally adjusted annual rates, unless otherwise specified. Quarter-to-quarter dollar changes are differences between these published estimates. Percent changes are calculated from unrounded data and are annualized. "Real" estimates are in chained (2000) dollars. Price indexes are chain-type measures.

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The price index for gross domestic purchases, which measures prices paid by U.S. residents, increased 4.2 percent in the third quarter, 0.2 percentage point more than the preliminary estimate; this index increased 3.3 percent in the second quarter. Excluding food and energy prices, the price index for gross domestic purchases increased 2.5 percent in the third quarter, compared with an increase of 2.1 percent in the second.

Real personal consumption expenditures increased 4.1 percent in the third quarter, compared with an increase of 3.4 percent in the second. Real nonresidential fixed investment increased 8.5 percent, compared with an increase of 8.8 percent. Nonresidential structures increased 2.2 percent, compared with an increase of 2.7 percent. Equipment and software increased 10.6 percent, compared with an increase of 10.9 percent. Real residential fixed investment increased 7.3 percent, compared with an increase of 10.8 percent.

Real exports of goods and services increased 2.5 percent in the third quarter, compared with an increase of 10.7 percent in the second. Real imports of goods and services increased 2.4 percent, in contrast to a decrease of 0.3 percent.

Real federal government consumption expenditures and gross investment increased 7.4 percent in the third quarter, compared with an increase of 2.4 percent in the second. National defense increased 10.0 percent, compared with an increase of 3.7 percent. Nondefense increased 2.4 percent, in contrast to a decrease of 0.2 percent. Real state and local government consumption expenditures and gross investment increased 0.2 percent, compared with an increase of 2.6 percent.

The real change in private inventories subtracted 0.43 percentage point from the third-quarter change in real GDP after subtracting 2.14 percentage points from the second-quarter change. Private businesses reduced inventories \$13.3 billion in the third quarter, following a decrease of \$1.7 billion in the second quarter and an increase of \$58.2 billion in the first.

Real final sales of domestic product -- GDP less change in private inventories -- increased 4.6 percent in the third quarter, compared with an increase of 5.6 percent in the second.

Gross domestic purchases

Real gross domestic purchases -- purchases by U.S. residents of goods and services wherever produced -- increased 4.0 percent in the third quarter, compared with an increase of 2.1 percent in the second.

Gross national product

Real gross national product -- the goods and services produced by the labor and property supplied by U.S. residents -- increased 4.4 percent in the third quarter, compared with an increase of 3.2 percent in the second. GNP includes, and GDP excludes, net receipts of income from the rest of the world, which increased \$7.6 billion in the third quarter after decreasing \$3.6 billion in the second; in the third quarter, receipts increased 23.8 billion, and payments increased \$16.2 billion.

Current-dollar GDP

Current-dollar GDP -- the market value of the nation's output of goods and services -- increased 7.6 percent, or \$227.7 billion, in the third quarter to a level of \$12,605.7 billion. In the second quarter, current-dollar GDP increased 6.0 percent, or \$179.2 billion.

Revisions

The final estimate of the third-quarter increase in real GDP is 0.2 percentage point, or \$3.8 billion, lower than the preliminary estimate issued last month. The downward revision to the percent change in real GDP reflected a downward revision to personal consumption expenditures for durable goods and several other smaller downward revisions that were partly offset by an upward revision to exports of services.

	<u>Advance</u> (Percent change from preceding quarter)	<u>Preliminary</u>	<u>Final</u>
Real GDP.....	3.8	4.3	4.1
Current-dollar GDP.....	7.0	7.4	7.6
Gross domestic purchases price index....	4.0	4.0	4.2

Corporate Profits

Profits from current production (corporate profits with inventory valuation and capital consumption adjustments) decreased \$54.4 billion in the third quarter, in contrast to an increase of \$59.3 billion in the second. Current-production cash flow (net cash flow with inventory valuation and capital consumption adjustments) -- the internal funds available to corporations for investment -- increased \$44.0 billion in the third quarter, compared with an increase of \$41.7 billion in the second.

Third-quarter profits from current production were reduced by \$165.3 billion because of Hurricanes Katrina and Rita, reflecting the net benefits paid by domestic insurance companies and the uninsured losses of corporate property.

Taxes on corporate income decreased \$12.2 billion in the third quarter, in contrast to an increase of \$9.9 billion in the second. Profits after tax with inventory valuation and capital consumption adjustments decreased \$42.2 billion in the third quarter, in contrast to an increase of \$49.4 billion in the second. Dividends increased \$13.8 billion, compared with an increase of \$11.4 billion; current-production undistributed profits decreased \$56.1 billion, in contrast to an increase of \$38.0 billion.

Domestic profits of financial corporations decreased \$71.9 billion in the third quarter, compared with a decrease of \$26.9 billion in the second. Domestic profits of nonfinancial corporations decreased \$8.5 billion, in contrast to an increase of \$82.5 billion. In the third quarter, real gross corporate value added increased, and profits per unit of real value added decreased. The decrease in unit profits reflected increases in both the unit labor and nonlabor costs corporations incurred that were partly offset by an increase in unit prices.

The rest-of-the-world component of profits increased \$25.9 billion in the third quarter, compared with an increase of \$3.7 billion in the second. This measure is calculated as (1) receipts by U.S. residents of earnings from their foreign affiliates plus dividends received by U.S. residents from unaffiliated foreign corporations minus (2) payments by U.S. affiliates of earnings to their foreign parents plus dividends paid by U.S. corporations to unaffiliated foreign residents. The third-quarter increase was accounted for by an increase in receipts and a decrease in payments.

Profits before tax with inventory valuation adjustment is the best available measure of industry profits because estimates of the capital consumption adjustment by industry do not exist. This measure reflects the depreciation-accounting practices used for federal income tax returns. According to this measure, domestic profits of financial corporations decreased, while domestic profits of nonfinancial corporations increased. The increase in nonfinancial corporations reflected increases in manufacturing, in retail trade, in transportation and warehousing, and in "other" nonfinancial industries that were partly offset by decreases in utilities, in information, and in wholesale trade. Within manufacturing, the increase reflected increases in all the industries shown except motor vehicles and "other" durable goods manufacturing.

Profits before tax decreased \$19.6 billion in the third quarter, in contrast to an increase of \$33.9 billion in the second. The before-tax measure of profits does not reflect, as does profits from current production, the capital consumption and inventory valuation adjustments. These adjustments convert depreciation of fixed assets and inventory withdrawals reported on a tax-return, historical-cost basis to the current-cost measures used in the national income and product accounts. The capital consumption adjustment decreased \$26.3 billion in the third quarter (from -\$45.8 billion to -\$72.1 billion), in contrast to an increase of \$5.2 billion in the second. The inventory valuation adjustment decreased \$8.6 billion (from -\$18.9 billion to -\$27.5 billion), in contrast to an increase of \$20.2 billion.

Effective December 21, 2005, chained-dollar gross value added of nonfinancial corporate business was revised beginning with 2002. The current-dollar gross value added is deflated by a revised chain-type price index calculated using the gross value added chain-type index for nonfinancial industries from the annual revision of the GDP-by-industry accounts.

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Summary BEA estimates are available on recorded messages at the time of public release at the following telephone numbers:

- | | |
|----------------|-----------------------------|
| (202) 606-5306 | Gross domestic product |
| (202) 606-5303 | Personal income and outlays |

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Next release -- January 27, 2006, at 8:30 A.M. EST for:
Gross Domestic Product: Fourth Quarter 2005 (Advance)

Release dates in 2006

Gross domestic product

	<u>2005: IV and 2005 annual</u>	<u>2006:I</u>	<u>2006:II</u>	<u>2006:III</u>
Advance.....	January 27	April 28	July 28	October 27
Preliminary..	February 28	May 25	August 30	November 29
Final.....	March 30	June 29	September 28	December 21

Corporate Profits

Preliminary..	....	May 25	August 30	November 29
Final.....	March 30	June 29	September 28	December 21

Table 1.—Real Gross Domestic Product and Related Measures: Percent Change From Preceding Period

	2002	2003	2004	Seasonally adjusted at annual rates																		
				2001				2002				2003				2004				2005		
				IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III ^r			
Gross domestic product (GDP)	1.6	2.7	4.2	1.6	2.7	2.2	2.4	0.2	1.7	3.7	7.2	3.6	4.3	3.5	4.0	3.3	3.8	3.3	4.1			
Personal consumption expenditures	2.7	2.9	3.9	7.0	1.4	2.4	2.3	1.4	2.5	3.6	5.8	3.1	4.7	1.9	4.4	4.3	3.5	3.4	4.1			
Durable goods	7.1	6.6	6.0	37.4	-4.2	3.6	11.5	-5.2	3.6	15.1	19.8	-3	4.4	.4	10.8	5.5	2.6	7.9	9.3			
Nondurable goods	2.5	3.2	4.7	4.9	3.3	1.3	.3	3.6	3.2	1.9	8.3	3.1	6.6	2.6	3.9	5.5	5.3	3.6	3.5			
Services	1.9	2.0	3.0	2.3	1.8	2.6	1.3	1.8	1.9	2.3	2.0	3.8	3.8	1.8	3.4	3.6	2.8	2.3	3.3			
Gross private domestic investment	-2.6	3.9	11.9	-22.7	13.6	1.9	5.8	-1.0	-4	2.7	17.5	12.0	10.1	20.9	4.6	6.8	8.6	-3.7	5.3			
Fixed investment	-5.2	3.6	9.7	-10.6	-6.3	-1.4	-.7	-1.4	-.8	8.8	14.8	6.9	6.9	15.1	8.4	7.2	7.0	9.5	8.0			
Nonresidential	-9.2	1.3	9.4	-13.3	-12.8	-6.1	-2.0	-5.0	-1.1	8.4	11.2	4.4	7.9	13.5	11.8	10.4	5.7	8.8	8.5			
Structures	-17.1	-4.2	2.2	-33.2	-19.0	-19.0	-15.5	-5.3	-8.4	13.3	-1	1.3	-3.5	8.8	1.4	4.7	-2.0	2.7	2.2			
Equipment and software	-6.2	3.2	11.9	-4.2	-10.4	-.9	3.3	-4.9	1.6	6.7	15.4	5.5	12.0	15.2	15.5	12.4	8.3	10.9	10.6			
Residential	4.8	8.4	10.3	-3.7	10.4	9.5	2.0	6.4	4.7	9.6	21.9	11.5	5.2	17.8	2.6	1.6	9.5	10.8	7.3			
Change in private inventories .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Net exports of goods and services .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Exports	-2.3	1.8	8.4	-10.8	5.2	10.6	2.9	-3.1	-2.9	-2.1	11.5	19.1	5.0	6.9	5.5	7.1	7.5	10.7	2.5			
Goods	-4.0	1.8	8.9	-8.8	-1.6	14.2	2.2	-9.1	1.5	0	9.1	17.2	7.5	7.9	8.2	3.7	5.3	16.0	3.2			
Services	1.9	1.7	7.4	-15.3	22.9	2.7	4.6	11.7	-11.9	-6.6	17.2	23.7	-4	4.8	-.6	15.5	12.5	-.4	1.0			
Imports	3.4	4.6	10.7	-3.4	11.7	12.5	5.7	9.0	-2.5	3.3	4.1	16.5	12.0	14.5	4.7	11.3	7.4	-.3	2.4			
Goods	3.7	4.9	11.0	-2.0	9.2	16.0	6.5	8.1	-2.6	6.3	.9	17.7	12.4	14.7	4.7	13.0	8.2	-1.1	3.5			
Services	2.1	3.0	9.6	-10.4	24.7	-3.0	1.7	14.0	-2.2	-10.2	21.4	10.7	10.0	13.7	4.6	3.1	3.7	4.4	-3.2			
Government consumption expenditures and gross investment	4.4	2.8	2.2	8.5	4.3	4.8	2.3	4.8	-3	7.2	.5	.5	3.3	2.3	1.8	.9	1.9	2.5	2.9			
Federal	7.0	6.9	5.2	8.8	5.9	12.5	3.0	10.2	-.3	22.1	-2.0	3.1	10.7	3.2	3.6	-.6	2.4	2.4	7.4			
National defense	7.4	8.8	7.0	12.5	3.7	11.5	4.1	14.8	-3.6	37.4	-6.5	7.9	13.8	.8	9.0	-3.3	3.0	3.7	10.0			
Nondefense	6.3	3.4	1.8	2.3	10.2	14.1	1.2	2.1	8.0	-2.4	7.2	-5.8	4.9	8.1	-6.4	5.2	1.1	-2	2.4			
State and local	3.1	.6	.4	8.4	3.5	1.0	1.9	2.0	-.6	-3	2.0	-.9	-.7	1.8	.8	1.8	1.6	2.6	.2			
Addenda:	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Final sales of domestic product	1.2	2.7	3.9	3.8	-.2	1.7	1.4	.1	1.9	4.6	6.9	2.8	3.8	2.6	4.6	3.3	3.5	5.6	4.6			
Gross domestic purchases	2.2	3.0	4.7	2.2	3.6	2.7	2.8	1.7	1.5	4.2	6.5	3.9	5.2	4.7	3.9	4.1	4.0	2.1	4.0			
Final sales to domestic purchasers	1.8	3.0	4.4	4.3	.7	2.2	1.8	1.6	1.7	5.0	6.1	3.2	4.8	3.8	4.5	4.1	3.7	4.2	4.5			
Gross national product (GNP)	1.5	3.0	4.0	3.9	.8	1.8	2.9	1.0	1.5	4.5	7.2	4.5	3.8	2.2	4.0	2.9	3.9	3.2	4.4			
Disposable personal income	3.1	2.4	3.4	-5.6	11.6	1.9	-1.6	.2	2.5	4.5	7.2	1.0	3.6	1.2	2.8	9.1	-3.4	.2	-2.0			
Current-dollar measures:	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
GDP	3.4	4.8	7.0	3.6	4.3	3.7	3.9	2.4	4.8	4.8	9.3	5.5	8.1	7.5	5.3	6.1	7.0	6.0	7.6			
Final sales of domestic product	2.9	4.8	6.6	5.5	1.4	3.2	3.0	2.4	5.1	5.7	8.8	4.8	7.5	6.6	6.1	6.2	6.7	8.3	8.1			
Gross domestic purchases	3.8	5.3	7.7	3.1	4.9	5.2	4.4	3.9	5.7	4.6	8.6	5.6	9.7	9.0	5.9	7.4	7.0	5.5	8.4			
Final sales to domestic purchasers	3.4	5.3	7.4	4.9	2.2	4.8	3.6	3.8	5.9	5.4	8.2	4.9	9.2	8.1	6.6	7.4	6.7	7.6	8.9			
GNP	3.2	5.1	6.8	6.0	2.3	3.3	4.4	3.2	4.6	5.7	9.2	6.4	7.7	6.1	5.4	5.7	7.0	5.9	7.8			
Disposable personal income	4.6	4.3	6.1	-5.0	12.6	4.7	.2	1.9	5.6	5.2	9.4	2.3	7.6	5.1	4.3	12.5	-1.3	3.5	1.6			

^r Revised
See "Explanatory Note" at the end of the tables.

Table 2.—Contributions to Percent Change in Real Gross Domestic Product

	2002	2003	2004	Seasonally adjusted at annual rates																		
				2001				2002				2003				2004				2005		
				IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III			
Percent change at annual rate:																						
Gross domestic product	1.6	2.7	4.2	1.6	2.7	2.2	2.4	0.2	1.7	3.7	7.2	3.6	4.3	3.5	4.0	3.3	3.8	3.3	4.1			
Percentage points at annual rates:																						
Personal consumption expenditures	1.90	2.05	2.71	4.71	1.01	1.64	1.57	.97	1.70	2.55	4.13	2.15	3.27	1.33	3.05	3.01	2.44	2.35	2.85			
Durable goods .....	.61	.57	.51	2.81	-.39	.31	.98	-.47	.31	1.23	1.64	-.03	.38	.03	.88	.45	.22	.64	.76		
Motor vehicles and parts .....	.23	.19	.06	2.24	-1.07	.02	.89	-.75	.22	.53	.77	-1.43	-.02	-.19	.44	.11	-.31	.27	.45		
Furniture and household equipment .....	.29	.26	.34	.39	.50	.23	.06	.21	.03	.48	.63	.30	.31	.24	.34	.21	.32	.17	.37		
Other .....	.09	.11	.10	.18	.18	.07	.02	.07	.06	.22	.23	.10	.08	-.02	.10	.14	.20	.20	-.06		
Nondurable goods .....	.50	.63	.94	.95	.65	.26	.06	.70	.63	.37	1.65	.61	1.31	.53	.78	1.09	1.07	.74	.73		
Food .....	.15	.25	.48	.18	.21	.18	0	.20	.38	.05	.69	.20	.88	.27	.32	.63	.50	.42	.61		
Clothing and shoes .....	.14	.14	.17	.27	.23	.04	-.05	.31	-.04	.27	.33	.04	.37	-.09	.17	.25	.15	.20	.08		
Gasoline, fuel oil, and other energy goods .....	.04	.01	.03	.24	-.06	.06	.04	-.04	-.01	-.04	.12	.07	-.04	.03	.02	.07	.21	-.11	-.11		
Other .....	.18	.22	.26	.27	.27	-.01	.07	.23	.29	.09	.51	.31	.33	.28	.14	.20	.23	.15			
Services .....	.79	.85	1.27	.95	.75	1.07	.54	.74	.76	.94	.84	1.57	1.58	.77	1.39	1.47	1.15	.97	1.36		
Housing .....	.09	.07	.30	.26	.06	-.03	-.11	-.07	.08	.13	.24	.31	.39	.27	.29	.29	.23	.22	.20		
Household operation .....	.02	.05	.07	-.15	.07	.29	-.11	.19	.01	-.06	-.02	.25	.07	-.07	.04	.34	.07	-.02	.17		
Electricity and gas .....	.04	.02	.03	-.07	.11	.25	-.07	.23	-.05	-.13	-.07	.22	.02	-.11	-.05	.37	.02	-.08	.10		
Other household operation	-.02	.03	.05	-.08	-.05	.04	-.04	-.04	.07	.07	.05	.03	.05	.05	.10	-.03	.05	.06	.08			
Transportation	-.08	0	.03	-.17	.01	-.04	-.07	-.01	.07	-.05	.02	.02	.13	-.01	0	-.01	.06	.06	.05			
Medical care .....	.63	.49	.49	.67	.59	.67	.59	.59	.45	.42	.31	.59	.37	.56	.64	.54	.53	.50	.66		
Recreation .....	.06	.10	.11	.07	.09	.07	.04	.16	.04	.15	.07	.21	.17	0	.10	.02	.14	.02	.02		
Other .....	.06	.14	.26	.28	-.08	.12	.20	-.12	.10	.35	.22	.19	.44	.02	.33	.29	.11	.18	.26		
Gross private domestic investment	-.41	.58	1.82	-3.95	1.92	.30	.87	-.14	-.03	.42	2.53	1.78	1.52	3.10	.75	1.11	1.42	-.63	.87			
Fixed investment	-.84	.54	1.47	-1.81	-1.04	-.23	-.12	-.21	.13	1.26	2.15	1.03	1.04	2.22	1.31	1.13	1.12	1.51	1.31			
Nonresidential	-1.06	.13	.92	-1.63	-1.50	-.66	-.21	-.52	-.10	.79	.108	.43	.76	1.29	1.15	1.04	.58	.90	.88			
Structures	-.55	-.11	.06	-1.27	-.60	-.58	-.44	-.14	-.22	.32	0	.03	-.09	.22	.04	.12	-.05	.07	.06			
Equipment and software	-.51	.24	.86	-.35	-.90	-.09	.23	-.38	.12	.47	1.09	.40	.85	1.07	1.12	.92	.64	.83	.82			
Information processing equipment and software	-.20	.19	.49	-.21	-.28	.06	.23	-.38	.21	.20	.79	.52	.61	.38	.31	.34	.72	.53	.42			
Computers and peripheral equipment .....	.04	.09	.19	.19	.15	-.06	.16	.04	.07	.10	.21	.17	.20	.18	.16	.27	.31	.23	.11		
Software	-.04	.06	.11	-.19	-.04	.15	.12	-.17	.04	.04	.29	.15	.08	.05	.10	.09	.22	.29	.14			
Other	-.19	.05	.19	-.21	-.38	-.03	-.05	-.17	.10	.05	.29	.20	.33	.16	.05	-.02	.18	.01	.17			
Industrial equipment	-.11	0	.04	-.21	.01	-.12	.08	.01	.15	-.12	-.04	-.14	.19	-.05	.30	.06	.23	-.27	.20			
Transportation equipment	-.16	-.03	.15	.26	-.53	-.16	-.07	-.02	-.25	.36	.01	-.16	-.04	.56	.23	.39	-.16	.33	.18			
Other equipment	-.04	.08	.18	-.19	-.10	.14	0	.02	.01	.04	.33	.18	.09	.18	.28	.13	-.14	.23	.02			
Residential .....	.22	.41	.55	-.18	.46	.43	.09	.30	.23	.47	1.07	.59	.28	.93	.15	.09	.54	.62	.43		
Change in private inventories .....	.43	.05	.35	-2.14	2.95	.53	.98	.08	-.16	-.84	.38	.75	.48	.87	-.56	-.03	.29	-.214	-.43		
Farm	-.02	.03	.03	-.23	.24	-.39	.31	.03	.17	-.21	-.07	.19	-.20	.45	-.01	-.28	-.11	-.09	-.02			
Nonfarm .....	.45	.02	.32	-.19	2.71	.92	.67	.04	-.33	-.63	.45	.57	.68	.42	-.55	.25	.40	-.205	-.42		
Net exports of goods and services	-.69	-.46	-.73	-.66	-.97	-.62	-.49	-.152	.08	-.66	.48	-.47	-.116	-.137	-.17	-.98	-.40	1.11	-.12			
Exports	-.23	.17	.80	-1.11	.47	.96	.27	-.31	-.29	-.20	1.04	1.69	.49	.67	.53	.70	.74	1.07	.26			
Goods	-.28	.12	.59	-.63	-.11	.88	.14	-.64	-.09	0	.58	1.05	.50	.53	.55	.25	.37	1.08	.23			
Services .....	.06	.05	.22	-.48	.59	.08	.13	.33	-.38	-.20	.46	.64	-.01	.14	-.02	.44	.37	-.01	.03		
Imports	-.46	-.63	-1.53	.45	-1.44	-1.58	-.76	-.121	.37	-.46	-.56	-2.16	-1.65	-2.03	-.70	-1.68	-1.14	.04	-.38			
Goods	-.41	-.56	-1.30	.21	-.95	-1.65	-.72	-.90	.32	-.71	-.10	-1.91	-1.41	-1.71	-.59	-1.60	-1.05	.15	-.46			
Services	-.05	-.07	-.23	.25	-.48	.07	-.04	-.31	.05	.26	-.46	-.25	-.23	-.32	-.11	-.08	-.10	-.11	.09			
Government consumption expenditures and gross investment .....	.80	.53	.41	1.48	.79	.88	.43	.89	-.05	1.37	.11	.10	.62	.43	.35	.17	.35	.47	.54		
Federal .....	.43	.45	.36	.51	.36	.76	.20	.64	.03	1.40	-.14	.21	.71	.22	.25	-.04	.17	.17	.52		
National defense .....	.29	.37	.32	.46	.14	.45	.17	.59	-.15	1.46	-.31	.35	.60	.04	.41	-.16	.14	.17	.46		
Consumption expenditures .....	.23	.33	.26	.45	.13	.29	.07	.67	-.19	1.35	-.34	.32	.46	.01	.39	-.26	.34	.04	.37		
Gross investment .....	.06	.04	.06	.02	.01	.16	.10	-.08	.04	.11	.03	.03	.14	.02	.02	-.10	-.20	.13	.09		
Nondefense .....	.14	.08	.04	.05	.22	.31	.03	.05	.18	-.06	.17	-.14	.11	.19	-.16	.12	.03	-.01	.06		
Consumption expenditures .....	.12	.08	.04	.04	.14	.21	.11	.07	.18	-.19	.29	-.10	.11	.04	-.04	.08	.02	-.09	.08		
Gross investment .....	.02	0	0	.01	.07	.10	-.08	-.02	0	.14	-.12	-.04	0	.15	-.12	.04	.01	.08	-.02		
State and local .....	.37	.08	.05	.97	.43	.12	.23	.25	-.08	-.04	.25	-.11	-.09	.21	.10	.21	.19	.31	.03		
Consumption expenditures .....	.29	.06	.04	.38	.30	.24	.17	.17	.15	-.02	-.01	.02	.07	.14	.16	.08	.08	.17			
Gross investment .....	.08	.02	.01	.59	.12	-.12	.06	.10	-.07	-.03	.26	-.13	-.08	.14	-.04	.05	.11	.23	-.14		
Addenda:																						
Goods .....	.41	1.10	2.06	.88	1.30	.49	1.69	-.174	1.38	.75	5.19	.96	2.29	1.53	2.10	1.26	1.41	1.58	1.70		
Services	1.43	1.30	1.59	1.58	1.43	1.95	.98	1.65	.41	2.15	.78	2.20	1.90	.71	1.75	1.82	1.86	.88	2.09			
Structures	-.24	.31	.57	-.87	.01	-.26	-.29	.29	-.08	.76	1.28	.41	.06	1.26	.13	.23	.53	.85	.35			
Motor vehicle output39	.14	.16	.69	.53	.20	.40	.01	0	-.09	.72	-.13	.49	-.26	.11	.29	.15	-.01	.56			
Final sales of computers03	.15	.15	.19	-.06	.01	.20	.11	.05	.10	.45	.09	.08	.10	.36	.37	.32	.16				

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See "Explanatory Note" at the end of the tables.

Table 3.—Gross Domestic Product and Related Measures: Level and Change From Preceding Period

	Billions of current dollars									Billions of chained (2000) dollars										
	2004	Seasonally adjusted at annual rates					2004	Seasonally adjusted at annual rates					Change from preceding period			2004	2005			
		2004		2005				2004		2005			II	2005			II	III r		
		III	IV	I	II	III r		III	IV	I	II	III r								
Gross domestic product	11,734.3	11,818.8	11,995.2	12,198.8	12,378.0	12,605.7	10,755.7	10,808.9	10,897.1	10,999.3	11,089.2	11,202.3	435.1	89.9	113.1					
Personal consumption expenditures	8,214.3	8,263.2	8,416.1	8,535.8	8,677.0	8,844.0	7,588.6	7,617.5	7,698.8	7,764.9	7,829.5	7,907.9	282.0	64.6	78.4					
Durable goods	987.8	993.8	1,008.6	1,017.3	1,035.5	1,050.9	1,089.9	1,100.4	1,115.1	1,122.3	1,143.9	1,169.7	61.4	21.6	25.8					
Motor vehicles and parts	441.8	444.9	452.8	449.6	458.5	468.7	457.0	461.4	464.6	455.0	463.3	477.3	7.3	8.3	14.0					
Furniture and household equipment	354.1	356.9	360.6	366.9	370.0	374.9	442.9	449.2	456.8	469.2	475.9	490.5	46.6	6.7	14.6					
Other	191.9	192.0	195.2	200.8	207.0	207.2	195.8	196.0	200.2	206.5	212.9	211.0	11.3	6.4	-1.9					
Nondurable goods	2,368.3	2,378.4	2,437.1	2,476.6	2,533.7	2,604.9	2,200.4	2,206.9	2,236.5	2,265.6	2,285.9	2,305.8	98.6	20.3	19.9					
Food	1,134.7	1,141.0	1,166.4	1,184.2	1,207.1	1,229.9	1,029.1	1,030.9	1,047.4	1,060.9	1,072.2	1,088.7	49.0	11.3	16.5					
Clothing and shoes	329.0	328.3	335.2	340.5	344.9	343.9	355.0	354.9	363.0	367.9	374.4	377.2	20.9	6.5	2.8					
Gasoline, fuel oil, and other energy goods	249.9	249.3	267.9	275.2	296.4	338.3	201.4	201.3	203.0	207.7	205.2	203.0	2.7	-2.5	-2.2					
Other	654.8	659.9	667.6	676.8	685.3	692.8	616.7	621.7	625.5	631.2	637.7	641.9	27.1	6.5	4.2					
Services	4,858.2	4,891.0	4,970.4	5,041.8	5,107.8	5,188.3	4,310.9	4,324.0	4,362.1	4,392.0	4,417.6	4,453.5	127.0	25.6	35.9					
Housing	1,221.1	1,230.0	1,244.7	1,260.1	1,275.3	1,288.2	1,078.4	1,081.9	1,089.5	1,095.6	1,101.4	1,106.6	30.0	5.8	5.2					
Household operation	446.2	445.9	457.9	465.3	471.4	484.4	405.6	403.5	412.4	413.8	418.5	418.5	-5.4	-5.4	4.7					
Electricity and gas	175.9	173.2	185.9	189.5	192.4	202.1	149.2	145.6	154.7	155.2	153.2	155.5	2.4	-2.0	2.3					
Other household operation	270.2	272.8	272.1	275.8	279.0	282.3	256.3	258.2	257.3	258.8	260.5	262.7	5.0	1.7	2.2					
Transportation	306.9	308.0	309.2	312.3	318.5	324.1	283.4	283.4	283.0	284.6	286.3	287.6	3.3	1.7	1.3					
Medical care	1,401.1	1,415.4	1,441.6	1,470.5	1,492.6	1,522.0	1,233.5	1,241.6	1,255.4	1,269.1	1,282.3	1,299.6	48.6	13.2	17.3					
Recreation	338.8	341.0	344.3	350.3	353.1	356.6	302.4	303.6	304.1	307.7	308.3	308.9	11.3	6	6					
Other	1,144.1	1,150.7	1,172.6	1,182.8	1,196.8	1,213.0	1,006.7	1,009.0	1,016.6	1,019.5	1,024.3	1,031.1	26.0	4.8	6.8					
Gross private domestic investment	1,928.1	1,961.2	2,004.5	2,058.5	2,054.4	2,099.5	1,809.8	1,833.4	1,863.9	1,902.9	1,885.0	1,909.4	192.4	-17.9	24.4					
Fixed investment	1,872.6	1,908.7	1,952.6	1,998.7	2,058.5	2,119.2	1,755.1	1,780.2	1,811.3	1,842.2	1,884.7	1,921.5	155.1	42.5	36.8					
Nonresidential	1,198.8	1,219.0	1,252.9	1,280.1	1,313.5	1,348.9	1,186.7	1,204.8	1,235.1	1,252.2	1,279.0	1,305.2	101.7	26.8	26.2					
Structures	298.4	302.1	309.8	315.9	325.6	340.2	248.4	249.4	252.3	251.0	252.7	254.1	5.3	1.7	1.4					
Equipment and software	900.4	916.9	943.1	964.3	987.9	1,008.7	947.6	965.6	994.2	1,014.2	1,040.9	1,067.5	100.8	26.7	26.6					
Information processing equipment and software	447.0	450.9	456.3	474.6	486.6	494.5	522.4	527.9	539.7	565.1	584.6	600.2	62.7	19.5	15.6					
Computers and peripheral equipment	91.6	92.3	97.5	102.7	105.6	105.0														
Software	178.5	179.9	181.1	188.3	197.3	201.3	188.8	190.0	192.8	199.8	209.1	213.7	13.1	9.3	4.6					
Other	176.9	178.6	177.8	183.6	186.3	188.2	188.9	191.1	193.0	196.3	196.5	202.1	22.7	2.2	5.6					
Industrial equipment	145.3	149.3	152.6	161.3	154.9	161.3	139.4	142.8	144.5	150.9	143.2	148.8	4.5	-7.7	5.6					
Transportation equipment	151.9	155.6	168.4	163.8	172.8	177.9	138.7	142.8	153.3	148.8	158.1	163.3	15.6	9.3	5.2					
Other equipment	156.2	161.0	165.8	164.6	173.7	175.0	150.0	154.3	158.0	160.6	161.1	19.3	6.7	.5						
Residential	673.8	689.7	699.7	718.5	745.0	770.3	561.8	568.8	571.0	584.1	599.3	610.0	52.4	15.2	10.7					
Change in private inventories	55.4	52.5	51.9	59.9	-4.2	-19.7	52.0	50.4	50.1	58.2	-1.7	-13.3	36.5	-59.9	-11.6					
Farm	3.2	7.0	-3.0	-6.5	-8.5	-9.5	2.3	6.3	-2.8	-2.3	-4.2	-4.5	2.1	-1.9	-3					
Nonfarm	52.2	45.4	54.8	66.4	43.0	-10.2	49.9	43.7	50.8	61.8	3.4	-8.1	34.4	-58.4	-11.5					
Net exports of goods and services	-624.0	-638.0	-685.4	-697.5	-691.0	-730.4	-601.3	-606.5	-634.1	-645.4	-614.2	-617.5	-79.9	31.2	-3.3					
Exports	1,173.8	1,183.8	1,217.1	1,252.3	1,297.1	1,314.6	1,117.9	1,125.0	1,144.5	1,165.3	1,195.4	1,202.7	86.7	30.1	7.3					
Goods	818.1	829.7	845.0	865.4	904.7	914.8	783.6	793.1	803.0	810.7	841.3	847.9	63.9	30.6	6.6					
Services	355.7	354.1	372.1	387.7	392.5	399.9	334.1	331.8	344.0	354.3	353.9	354.8	22.9	.4	.9					
Imports	1,797.8	1,821.8	1,902.5	1,950.6	1,988.1	2,045.1	1,719.2	1,731.5	1,778.6	1,810.7	1,809.6	1,820.2	166.6	-1.1	10.6					
Goods	1,495.9	1,515.0	1,588.4	1,627.6	1,661.8	1,718.6	1,452.7	1,461.9	1,507.3	1,537.3	1,532.9	1,546.1	143.5	-4.4	13.2					
Services	301.9	306.8	314.1	323.0	326.3	326.4	267.1	270.2	272.3	274.8	277.7	275.5	23.4	2.9	-2.2					
Government consumption expenditures and gross investment	2,215.9	2,232.5	2,260.0	2,302.0	2,337.6	2,392.7	1,952.3	1,958.4	1,962.8	1,971.9	1,984.1	1,998.1	41.2	12.2	14.0					
Federal	827.6	836.5	840.8	860.2	869.8	892.2	723.7	728.6	727.6	731.8	736.1	749.5	35.9	4.3	13.4					
National defense	552.7	562.9	562.0	575.3	582.5	601.7	481.3	487.7	483.7	487.3	491.7	503.6	31.6	4.4	11.9					
Consumption expenditures	484.2	494.6	490.1	508.9	512.3	528.6	413.3	419.8	413.4	421.9	422.9	432.2	24.8	1.0	9.3					
Gross investment	68.5	68.3	71.9	66.4	70.2	73.1	68.5	68.2	71.2	65.3	69.2	72.0	7.2	3.9	2.8					
Nondefense	274.9	273.6	278.8	285.0	287.3	290.5	242.2	240.6	243.6	244.3	244.2	245.6	4.2	-1	1.4					
Consumption expenditures	241.4	241.4	245.1	250.7	250.5	254.3	208.6	207.9	209.9	210.4	208.2	210.1	3.8	-2.2	1.9					
Gross investment	33.4	32.5	33.8	34.3	36.8	36.3	33.4	32.5	33.6	33.8	36.3	35.6	.3	2.5	-.7					
State and local	1,388.3	1,395.9	1,419.1	1,441.7	1,467.7	1,500.4	1,228.4	1,229.6	1,235.0	1,239.8	1,247.8	1,248.5	5.1	8.0	.7					
Consumption expenditures	1,117.7	1,123.9	1,143.1	1,159.0	1,175.7	1,205.7	979.5	980.7	984.8	986.8	988.8	993.3	4.3	2.0	4.5					
Gross investment	270.6	272.1	276.1	282.7	292.0	294.7	248.9	249.0	250.3	253.2	259.4	255.4	.7	6.2	-4.0					
Residual							-26.8	-28.8	-37.5	-48.0	-60.1	-69.6								
Addenda:																				
Final sales of domestic product	11,678.9	11,766.3	11,943.3	12,138.9	12,382.1	12,625.4	10,702.4	10,757.1	10,846.0	10,940.3	11,089.2	11,214.4	398.8	148.9	125.2					
Gross domestic purchases	12,358.3	12,456.8	12,680.6	12,896.3	13,069.0	13,336.1	11,348.7	11,407.0	11,522.0	11,635.4	11,694.8	11,811.2	511.4	59.4	116.4					
Final sales to domestic purchasers	12,302.9	12,404.4	12,628.7	12,836.4	13,073.1	13,355.8	11,295.3	11,354.9	11,470.7	11,576.2	11,694.6	11,823.0	4							

Table 4.—Price Indexes for Gross Domestic Product and Related Measures: Percent Change From Preceding Period

	2002	2003	2004	Seasonally adjusted at annual rates																			
				2001				2002				2003				2004				2005			
				IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV			
Gross domestic product (GDP)	1.7	2.0	2.6	1.7	1.7	1.5	1.6	2.2	3.1	1.1	1.8	1.9	3.6	3.9	1.5	2.7	3.1	2.6	3.3				
Personal consumption expenditures	1.4	1.9	2.6	.6	.9	2.8	1.8	1.7	3.0	.6	2.0	1.3	3.9	3.8	1.5	3.1	2.3	3.3	3.7				
Durable goods	-2.4	-3.5	-1.9	-1.6	-3.2	-1.9	-1.8	-2.7	-4.3	-4.4	-4.1	.1	-1	-2.4	.6	.9	-5	-3.0					
Nondurable goods .....	.5	2.0	3.3	-4.0	.2	5.4	.9	1.2	5.6	-2.4	3.1	.6	6.0	6.6	.1	4.5	1.3	5.7	7.9			
Services	2.7	3.0	3.2	3.3	2.2	2.6	3.0	2.8	3.4	3.2	2.8	2.8	3.6	3.3	2.9	3.0	3.0	2.9	3.1				
Gross private domestic investment .....	.6	1.6	3.1	.2	-2	.5	.2	2.9	2.9	-5	1.7	3.7	3.4	4.6	3.2	2.3	2.6	2.7	3.7			
Fixed investment .....	.6	1.7	3.2	.1	-3	.5	.2	3.0	3.1	-5	1.7	3.9	3.5	4.6	3.0	2.2	2.6	2.7	4.0			
Nonresidential	-2	.3	1.3	-1.0	-1	-2	-4	1.1	.1	-1.0	1.2	1.9	1.2	1.8	.9	1.1	3.1	1.9	2.5				
Structures	4.4	3.5	5.5	2.1	3.8	5.2	4.3	5.1	4.0	.3	2.9	4.6	7.1	6.8	6.6	5.6	10.3	9.9	16.5				
Equipment and software	-1.8	-9	-1	-2.2	-1.5	-2.1	-2.0	-3	-1.2	-1.4	.6	1.0	-8	.2	-9	.4	.9	-7	-1.8				
Residential	2.5	4.8	6.7	2.8	-8	2.2	1.5	7.0	9.3	3	2.7	7.6	8.0	9.7	6.9	4.2	1.6	4.3	6.5				
Change in private inventories .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Net exports of goods and services .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Exports	-4	2.1	3.6	-3.5	-1.1	2.8	3.0	.6	4.1	1.0	.9	2.9	5.9	4.8	1.7	4.3	4.6	3.7	2.9				
Goods	-7	2.0	3.7	-3.8	-1.4	2.2	3.3	.5	3.6	1.6	-.7	4.1	6.5	5.3	1.0	3.8	4.5	2.9	1.3				
Services .....	.4	2.5	3.1	-2.8	-.3	4.3	2.1	.7	5.2	-.3	4.6	.1	4.4	3.7	3.2	5.6	4.7	5.4	6.7			
Imports	-1.2	3.4	5.0	-10.0	-1.7	10.3	3.5	.6	11.2	-4.4	2.6	1.1	9.6	6.6	5.7	6.8	2.9	8.2	9.4				
Goods	-1.8	2.9	5.0	-11.3	-2.0	10.8	2.6	.4	11.9	-6.7	2.5	.5	10.1	7.9	5.4	6.9	1.9	9.9	10.6				
Services	1.7	5.8	4.9	-3.3	-.3	7.6	8.1	1.4	8.0	7.5	3.2	4.2	7.5	.3	7.4	6.5	7.9	-.2	3.4				
Government consumption expenditures and gross investment	2.9	3.7	3.7	1.1	5.2	2.9	2.6	3.6	8.9	0	2.5	1.4	6.2	5.0	3.2	4.1	5.7	3.7	6.7				
Federal	3.7	3.9	4.2	1.8	10.1	.5	1.0	4.6	9.9	1.3	1.2	1.2	9.7	4.9	2.2	2.6	7.0	2.1	3.0				
National defense	3.7	4.4	4.0	.8	9.1	1.3	2.4	6.9	9.3	1.1	1.3	1.5	7.8	5.6	2.8	2.7	6.6	1.4	3.5				
Nondefense	3.5	3.0	4.6	3.4	12.0	-.8	-1.4	.5	11.0	1.6	1.0	.7	13.7	3.6	1.2	2.5	7.9	3.6	2.1				
State and local	2.5	3.7	3.4	.8	2.7	4.2	3.4	3.0	8.4	-.7	3.2	1.6	4.2	5.0	3.7	4.9	4.9	4.7	9.0				
Addenda:																							
Final sales of domestic product	1.7	2.0	2.6	1.7	1.7	1.5	1.6	2.3	3.1	1.1	1.8	1.9	3.6	3.8	1.4	2.7	3.1	2.6	3.3				
Gross domestic purchases	1.6	2.2	2.9	.6	1.5	2.5	1.7	2.2	4.1	.4	2.0	1.7	4.2	4.1	2.0	3.2	2.9	3.3	4.2				
Final sales to domestic purchasers	1.6	2.2	2.9	.6	1.5	2.5	1.7	2.2	4.1	.4	2.0	1.7	4.2	4.1	2.0	3.2	2.9	3.3	4.3				
Gross national product (GNP)	1.7	2.0	2.6	1.7	1.7	1.5	1.6	2.2	3.1	1.1	1.8	1.9	3.6	3.8	1.5	2.7	3.1	2.6	3.3				
Implicit price deflators:																							
GDP	1.7	2.0	2.6	2.0	1.5	1.4	1.5	2.2	3.1	1.1	1.9	1.8	3.7	3.9	1.3	2.7	3.0	2.6	3.3				
Gross domestic purchases	1.6	2.2	2.9	.9	1.3	2.4	1.6	2.2	4.1	.4	2.1	1.6	4.3	4.1	1.9	3.2	2.9	3.3	4.2				
GNP	1.7	2.0	2.6	2.0	1.4	1.5	1.5	2.3	3.1	1.1	1.9	1.8	3.7	3.8	1.3	2.7	3.0	2.6	3.3				

r Revised.
See "Explanatory Note" at the end of the tables.

Table 5.—Real Gross Domestic Product, Quantity Indexes

[Index numbers, 2000=100]

	2002	2003	2004	Seasonally adjusted				
				2004		2005		
				III	IV	I	II	III r
Gross domestic product	102.362	105.130	109.562	110.104	111.003	112.044	112.959	114.112
Personal consumption expenditures	105.340	108.416	112.601	113.030	114.236	115.217	116.176	117.338
Durable goods	111.752	119.134	126.245	127.463	129.166	129.999	132.499	135.492
Nondurable goods	104.614	107.938	113.000	113.337	114.857	116.351	117.392	118.413
Services	104.366	106.493	109.725	110.059	111.027	111.789	112.440	113.353
Gross private domestic investment	89.724	93.195	104.286	105.644	107.398	109.645	108.615	110.023
Fixed investment	91.997	95.297	104.534	106.027	107.880	109.722	112.252	114.443
Nonresidential	86.969	88.063	96.314	97.790	100.246	101.633	103.806	105.935
Structures	81.029	77.621	79.314	79.635	80.554	80.145	80.680	81.123
Equipment and software	89.265	92.154	103.126	105.087	108.201	110.376	113.274	116.170
Residential	105.149	113.989	125.714	127.267	127.772	130.695	134.100	136.484
Change in private inventories								
Exports of goods and services	92.430	94.064	101.970	102.622	104.398	106.295	109.037	109.710
Imports of goods and services	100.601	105.205	116.495	117.328	120.518	122.698	122.620	123.340
Government consumption expenditures and gross investment	107.969	111.009	113.398	113.753	114.008	114.537	115.248	116.063
Federal	111.169	118.839	125.038	125.881	125.704	126.446	127.188	129.491
State and local	106.354	107.042	107.487	107.592	108.069	108.489	109.183	109.246
Addenda:								
Final sales of domestic product	102.828	105.564	109.650	110.211	111.122	112.088	113.613	114.896
Gross domestic purchases	103.151	106.285	111.301	111.872	113.000	114.112	114.695	115.836
Final sales to domestic purchasers	103.603	106.708	111.394	111.982	113.124	114.164	115.332	116.598
Gross national product	102.264	105.370	109.637	110.128	110.916	111.977	112.851	114.076

r Revised

See "Explanatory Note" at the end of the tables.

Table 6.—Price Indexes for Gross Domestic Product

[Index numbers, 2000=100]

	2002	2003	2004	Seasonally adjusted				
				2004		2005		
				III	IV	I	II	III r
Gross domestic product	104.193	106.310	109.102	109.371	110.111	110.950	111.655	112.567
Personal consumption expenditures (PCE)	103.542	105.520	108.246	108.484	109.326	109.936	110.832	111.846
Durable goods	95.766	92.372	90.631	90.310	90.449	90.648	90.527	89.839
Nondurable goods	102.089	104.151	107.634	107.781	108.982	109.327	110.854	112.985
Services	106.018	109.246	112.695	113.120	113.955	114.803	115.633	116.508
Gross private domestic investment	101.640	103.311	106.555	107.120	107.733	108.427	109.164	110.169
Fixed investment	101.660	103.432	106.697	107.248	107.831	108.522	109.254	110.318
Nonresidential	99.513	99.764	101.025	101.185	101.455	102.244	102.715	103.358
Structures	110.030	113.889	120.124	121.159	122.827	125.876	128.886	133.914
Equipment and software	95.956	95.133	95.022	94.945	94.854	95.067	94.910	94.491
Residential	107.240	112.379	119.935	121.312	122.574	123.062	124.359	126.335
Change in private inventories								
Exports of goods and services	99.273	101.398	104.999	105.242	106.366	107.559	108.534	109.323
Imports of goods and services	96.341	99.610	104.571	105.269	107.026	107.783	109.925	112.413
Government consumption expenditures and gross investment	105.507	109.460	113.505	114.003	115.148	116.747	117.820	119.751
Federal	105.631	109.740	114.354	114.825	115.575	117.550	118.168	119.056
State and local	105.435	109.303	113.022	113.536	114.914	116.291	117.635	120.186
Addenda:								
PCE excluding food and energy	103.705	105.082	107.156	107.358	107.980	108.617	109.083	109.450
Market-based PCE ¹	103.082	105.009	107.422	107.627	108.378	108.948	109.860	110.917
Market-based PCE excluding food and energy ¹	103.153	104.348	105.898	106.050	106.514	107.106	107.506	107.797
Final sales of domestic product	104.197	106.330	109.124	109.389	110.124	110.963	111.667	112.589
Gross domestic purchases	103.583	105.863	108.899	109.235	110.092	110.883	111.785	112.953
Final sales to domestic purchasers	103.586	105.883	108.921	109.253	110.106	110.898	111.798	112.976
Gross national product	104.184	106.304	109.094	109.362	110.100	110.933	111.638	112.550
Implicit price deflators:								
Gross domestic product	104.187	106.305	109.099	109.343	110.077	110.905	111.622	112.527
Final sales of domestic product	104.197	106.330	109.124	109.382	110.117	110.956	111.659	112.582
Gross domestic purchases	103.577	105.858	108.896	109.204	110.055	110.837	111.750	112.911
Final sales to domestic purchasers	103.587	105.883	108.920	109.242	110.095	110.886	111.787	112.965
Gross national product	104.179	106.299	109.091	109.334	110.064	110.890	111.607	112.512

r Revised

1. This index is a supplemental measure that is based on household expenditures for which there are observable price measures. It excludes most implicit prices (for example, the services furnished without payment by financial intermediaries) and the expenses of nonprofit institutions. Percentage changes for these series are included in the addenda to table 8 and appendix table A.

See "Explanatory Note" at the end of the tables.

Table 7.—Real Gross Domestic Product: Percent Change From Preceding Year

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Gross domestic product (GDP)	3.5	1.9	-0.2	3.3	2.7	4.0	2.5	3.7	4.5	4.2	4.5	3.7	0.8	1.6	2.7	4.2
Personal consumption expenditures	2.8	2.0	.2	3.3	3.3	3.7	2.7	3.4	3.8	5.0	5.1	4.7	2.5	2.7	2.9	3.9
Durable goods	2.2	-3	-5.6	5.9	7.8	8.4	4.4	7.8	8.6	11.3	11.7	7.3	4.3	7.1	6.6	6.0
Nondurable goods	2.8	1.6	-2	2.0	2.7	3.5	2.2	2.6	2.7	4.0	4.6	3.8	2.0	2.5	3.2	4.7
Services	3.0	2.9	1.7	3.5	2.8	2.9	2.6	2.9	3.3	4.2	4.0	4.5	2.4	1.9	2.0	3.0
Gross private domestic investment	4.0	-3.4	-8.1	8.1	8.9	13.6	3.1	8.9	12.4	9.8	7.8	5.7	-7.9	-2.6	3.9	11.9
Fixed investment	3.0	-2.1	-6.5	5.9	8.6	9.3	6.5	9.0	9.2	10.2	8.3	6.5	-3.0	-5.2	3.6	9.7
Nonresidential	5.6	.5	-5.4	3.2	8.7	9.2	10.5	9.3	12.1	11.1	9.2	8.7	-4.2	-9.2	1.3	9.4
Structures	2.0	1.5	-11.1	-6.0	-7	1.8	6.4	5.6	7.3	5.1	-4	6.8	-2.3	-17.1	-4.2	2.2
Equipment and software	7.3	0	-2.6	7.3	12.5	11.9	12.0	10.6	13.8	13.3	12.7	9.4	-4.9	-6.2	3.2	11.9
Residential	-3.0	-8.6	-9.6	13.8	8.2	9.6	-3.2	8.0	1.9	7.6	6.0	.8	.4	4.8	8.4	10.3
Change in private inventories .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Net exports of goods and services .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Exports	11.5	9.0	6.6	6.9	3.2	8.7	10.1	8.4	11.9	2.4	4.3	8.7	-5.4	-2.3	1.8	8.4
Goods	11.9	8.4	6.9	7.5	3.3	9.7	11.7	8.8	14.3	2.2	3.8	11.2	-6.1	-4.0	1.8	8.9
Services	10.3	10.5	6.0	5.5	3.2	6.3	6.3	7.2	5.9	2.9	5.6	2.9	-3.7	1.9	1.7	7.4
Imports	4.4	3.6	-6	7.0	8.8	11.9	8.0	8.7	13.6	11.6	11.5	13.1	-2.7	3.4	4.6	10.7
Goods	4.3	3.0	-1	9.3	10.1	13.3	9.0	9.3	14.4	11.7	12.4	13.5	-3.2	3.7	4.9	11.0
Services	4.9	6.5	-2.6	-2.6	2.9	5.7	3.3	5.5	9.4	11.4	6.9	11.1	-3	2.1	3.0	9.6
Government consumption expenditures and gross investment	2.6	3.2	1.1	.5	-9	0	-5	1.0	1.9	1.9	3.9	2.1	3.4	4.4	2.8	2.2
Federal	1.5	2.0	-2	-1.7	-4.2	-3.7	-2.7	-1.2	-1.0	-1.1	2.2	.9	3.9	7.0	6.9	5.2
National defense	-5	0	-1.1	-5.0	-5.6	-4.9	-3.8	-1.4	-2.8	-2.1	1.9	-.5	3.9	7.4	8.8	7.0
Nondefense	8.3	8.3	2.4	6.9	-.7	-1.2	-4	-7	2.6	.7	2.8	3.5	3.9	6.3	3.4	1.8
State and local	3.4	4.1	2.1	2.2	1.4	2.6	2.6	2.3	3.6	4.7	2.7	3.2	3.1	.6	.4	.....
Addenda:	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Final sales of domestic product	3.4	2.1	.1	3.0	2.6	3.4	3.0	3.7	4.0	4.2	4.5	3.8	1.6	1.2	2.7	3.9
Gross domestic purchases	3.0	1.4	-.8	3.3	3.2	4.4	2.4	3.8	4.8	5.3	5.3	4.4	.9	2.2	3.0	4.7
Final sales to domestic purchasers	2.8	1.6	-.6	3.1	3.2	3.8	2.8	3.8	4.3	5.3	5.4	4.5	1.8	1.8	3.0	4.4
Gross national product	3.5	2.0	-.3	3.3	2.7	3.9	2.6	3.7	4.4	4.0	4.6	3.7	.8	1.5	3.0	4.0
Real disposable personal income	2.8	1.9	.5	3.4	1.0	2.7	2.8	3.0	3.5	5.8	3.0	4.8	1.9	3.1	2.4	3.4
Price indexes:	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Gross domestic purchases	3.8	4.1	3.3	2.3	2.2	2.1	2.1	1.8	1.4	.6	1.6	2.5	2.0	1.6	2.2	2.9
Gross domestic purchases excluding food and energy	3.6	3.7	3.5	2.6	2.3	2.2	2.2	1.5	1.3	1.0	1.4	1.9	1.9	1.8	2.4	2.4
GDP	3.8	3.9	3.5	2.3	2.3	2.1	2.0	1.9	1.7	1.1	1.4	2.2	2.4	1.7	2.0	2.6
GDP excluding food and energy	3.6	3.7	3.6	2.5	2.4	2.2	2.1	1.7	1.7	1.2	1.5	2.0	2.1	2.1	1.8	2.5
Personal consumption expenditures	4.4	4.6	3.6	2.9	2.3	2.1	2.1	2.2	1.7	.9	1.7	2.5	2.1	1.4	1.9	2.6

Table 8.—Real Gross Domestic Product: Percent Change From Quarter One Year Ago

	2001				2002				2003				2004				2005		
	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III ^r			
Gross domestic product (GDP)	0.2	1.0	1.3	2.2	1.9	1.6	2.0	3.2	4.0	4.7	4.6	3.8	3.8	3.6	3.6	3.6	3.6	3.6	3.6
Personal consumption expenditures (PCE)	2.8	2.8	3.1	3.2	1.9	2.1	2.4	3.3	3.8	4.3	3.9	3.5	3.8	3.5	3.9	3.8	3.8	3.8	3.8
Durable goods	10.8	7.8	8.9	11.0	1.2	3.2	6.0	7.9	9.2	9.4	5.8	3.7	5.2	4.7	6.7	6.3	6.3	6.3	6.3
Nondurable goods	1.9	2.6	3.0	2.4	2.1	2.1	2.2	4.2	4.1	4.9	5.1	4.0	4.6	4.3	4.5	4.5	4.5	4.5	4.5
Services	1.6	1.8	2.0	2.0	1.9	1.9	1.8	2.0	2.5	3.0	2.9	3.2	3.1	2.9	3.0	3.0	3.0	3.0	3.0
Gross private domestic investment	-13.8	-7.7	-5.4	-1.4	4.9	1.5	1.7	4.4	7.7	10.5	15.1	11.8	10.4	10.1	4.0	4.1	4.1	4.1	4.1
Fixed investment	-6.7	-7.6	-5.8	-4.9	-2.5	-7	1.8	5.6	7.7	9.3	10.9	9.3	9.4	9.4	8.0	7.9	7.9	7.9	7.9
Nonresidential	-9.6	-11.7	-9.8	-8.7	-6.5	-3.5	0	3.2	5.6	7.9	9.2	9.4	10.9	10.3	9.2	8.3	8.3	8.3	8.3
Structures	-11.1	-13.9	-17.4	-22.0	-14.9	-12.2	-4.5	-1.2	1.2	2.6	1.5	1.9	2.7	3.1	1.7	1.9	1.9	1.9	1.9
Equipment and software	-9.0	-10.9	-6.8	-3.2	-3.4	-3	1.6	4.4	7.2	9.8	11.9	12.0	13.8	12.8	11.7	10.5	10.5	10.5	10.5
Residential	1.4	3.4	4.3	4.4	7.0	5.6	5.6	10.5	11.8	11.9	13.9	9.1	6.6	7.7	6.1	7.2	7.2	7.2	7.2
Change in private inventories .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Net exports of goods and services .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Exports	-11.9	-9.5	-4.0	1.6	3.8	1.7	-1.3	.7	6.0	8.1	10.5	9.0	6.1	6.7	7.7	6.9	6.9	6.9	6.9
Goods	-13.0	-12.2	-4.9	1.1	1.1	1.9	-15	.2	6.7	8.3	10.4	10.1	6.8	6.2	8.2	6.9	6.9	6.9	6.9
Services	-8.9	-2.8	-2.0	2.8	10.2	1.4	-1.0	1.9	4.5	7.8	10.9	6.4	4.6	7.9	6.5	6.9	6.9	6.9	6.9
Imports	-7.6	-4.1	2.1	6.4	9.7	6.0	3.8	3.4	5.1	8.8	11.7	11.8	10.6	9.4	5.7	5.1	5.1	5.1	5.1
Goods	-7.9	-5.0	3.2	7.2	9.9	6.8	4.5	3.1	5.3	9.2	11.2	12.3	11.1	10.1	6.1	5.8	5.8	5.8	5.8
Services	-5.9	.7	-3.0	2.4	8.8	2.4	5	.5	4.2	7.3	13.8	9.7	7.7	6.2	3.9	2.0	2.0	2.0	2.0
Government consumption expenditures and gross investment	5.0	4.7	4.0	4.9	4.0	2.9	3.5	3.0	1.9	2.9	1.7	2.0	2.1	1.7	1.8	2.0	2.0	2.0	2.0
Federal	6.4	5.9	6.7	7.5	7.8	6.4	8.6	7.2	5.5	8.1	3.6	5.1	4.2	2.1	1.9	2.9	2.9	2.9	2.9
National defense	6.5	5.6	7.4	7.9	8.4	6.5	12.2	9.2	7.5	12.1	3.7	7.8	4.9	2.3	3.0	3.3	3.3	3.3	3.3
Nondefense	6.3	6.3	5.5	6.8	6.8	6.2	2.1	3.6	1.6	8	3.5	0	2.8	1.8	-2	2.1	2.1	2.1	2.1
State and local	4.2	4.1	2.6	3.6	2.1	1.1	.7	.8	0	0	.5	.2	.9	1.5	1.7	1.5	1.5	1.5	1.5
Addenda:	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Final sales of domestic product	1.5	1.0	1.2	1.7	.8	1.3	2.0	3.3	4.0	4.5	4.0	3.4	3.6	3.5	4.2	4.3	4.3	4.3	4.3
Gross domestic purchases .....	.4	1.4	1.9	2.8	2.7	2.2	2.5	3.4	4.0	4.9	5.1	4.4	4.5	4.2	3.5	3.5	3.5	3.5	3.5
Final sales to domestic purchasers	1.6	1.4	1.9	2.3	1.6	1.9	2.5	3.6	4.0	4.7	4.5	4.1	4.3	4.1	4.1	4.1	4.1	4.1	4.1
Gross national product .....	.4	.9	1.0	2.3	1.6	1.8	2.4	3.5	4.4	5.0	4.4	3.6	3.2	3.2	3.5	3.6	3.6	3.6	3.6
Real disposable personal income	1.2	3.7	4.6	1.4	2.9	.7	1.4	3.6	3.8	4.1	3.2	2.1	4.1	2.3	2.1	.8	.8	.8	.8
Price indexes:	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Gross domestic purchases	1.6	1.3	1																

Table 9.—Relation of Gross Domestic Product, Gross National Product, and National Income
 [Billions of dollars]

	2002	2003	2004	Seasonally adjusted at annual rates				
				2004		2005		
				III	IV	I	II	III ^r
Gross domestic product	10,469.6	10,971.2	11,734.3	11,818.8	11,995.2	12,198.8	12,378.0	12,605.7
Plus: Income receipts from the rest of the world	305.7	343.7	415.4	418.1	462.4	462.3	489.4	520.8
Less: Income payments to the rest of the world	275.0	275.6	361.7	369.6	425.6	422.9	453.9	476.6
Equals: Gross national product	10,500.2	11,039.3	11,788.0	11,867.3	12,032.0	12,238.2	12,413.5	12,650.0
Less: Consumption of fixed capital	1,292.0	1,331.3	1,435.3	1,534.1	1,442.0	1,448.4	1,457.2	1,863.8
Less: Statistical discrepancy	-21.0	47.1	76.8	90.8	30.6	39.4	78.3	66.5
Equals: National income	9,229.3	9,660.9	10,275.9	10,242.4	10,559.3	10,750.4	10,878.0	10,719.6
Compensation of employees	6,091.2	6,321.1	6,687.6	6,724.2	6,895.8	7,001.7	7,060.2	7,155.4
Wage and salary accruals	4,980.9	5,111.1	5,389.4	5,422.0	5,562.9	5,629.9	5,672.3	5,741.6
Supplements to wages and salaries	1,110.3	1,210.0	1,298.1	1,302.3	1,332.9	1,371.8	1,387.9	1,413.8
Proprietors' income with inventory valuation and capital consumption adjustments	768.4	810.2	889.6	889.1	900.9	917.9	936.6	932.4
Rental income of persons with capital consumption adjustment	152.9	131.7	134.2	122.1	128.7	118.0	104.4	-11.1
Corporate profits with inventory valuation and capital consumption adjustments	886.3	1,031.8	1,161.5	1,117.2	1,219.5	1,288.2	1,347.5	1,293.1
Net interest and miscellaneous payments	520.9	528.5	505.5	497.5	492.7	498.3	488.7	497.6
Taxes on production and imports less subsidies	724.4	754.8	809.4	812.3	824.4	833.2	848.0	853.4
Business current transfer payments	84.3	81.6	91.1	83.0	102.6	99.0	99.6	21.8
Current surplus of government enterprises	.9	1.3	-3.0	-3.0	-5.2	-6.1	-7.0	-22.8
Addendum:								
Gross domestic income	10,490.6	10,924.2	11,657.5	11,728.0	11,964.6	12,159.4	12,299.7	12,539.2

^r Revised

Table 10.—Personal Income and Its Disposition

[Billions of dollars]

	2002	2003	2004	Seasonally adjusted at annual rates				
				2004		2005		
				III	IV	I	II	III ^r
Personal income ¹	8,881.9	9,169.1	9,713.3	9,729.2	10,024.8	10,073.4	10,185.7	10,231.0
Compensation of employees, received	6,091.2	6,321.1	6,687.6	6,724.2	6,895.8	7,001.7	7,060.2	7,155.4
Wage and salary disbursements	4,980.9	5,111.1	5,389.4	5,422.0	5,562.9	5,629.9	5,672.3	5,741.6
Supplements to wages and salaries	1,110.3	1,210.0	1,298.1	1,302.3	1,332.9	1,371.8	1,387.9	1,413.8
Proprietors' income with inventory valuation and capital consumption adjustments	768.4	810.2	889.6	889.1	900.9	917.9	936.6	932.4
Farm	10.6	27.7	35.8	29.7	24.6	24.7	19.6	18.0
Nonfarm	757.8	782.4	853.8	859.4	876.3	893.2	917.1	914.3
Rental income of persons with capital consumption adjustment	152.9	131.7	134.2	122.1	128.7	118.0	104.4	-11.1
Personal income receipts on assets	1,333.2	1,338.7	1,396.5	1,378.2	1,493.6	1,407.9	1,439.8	1,468.9
Personal interest income	936.1	917.6	905.9	904.7	907.4	915.4	936.0	951.2
Personal dividend income	397.2	421.1	490.6	473.5	586.2	492.5	503.8	517.6
Personal current transfer receipts	1,286.2	1,344.0	1,427.5	1,441.5	1,449.2	1,488.8	1,509.6	1,558.1
Less: Contributions for government social insurance	750.0	776.6	822.2	825.9	843.5	861.0	864.9	872.6
Less: Personal current taxes	1,051.8	999.9	1,049.1	1,058.4	1,094.3	1,171.4	1,206.0	1,215.9
Equals: Disposable personal income	7,830.1	8,169.2	8,664.2	8,670.9	8,930.4	8,902.0	8,979.7	9,015.1
Less: Personal outlays	7,645.3	7,996.3	8,512.5	8,566.3	8,725.0	8,854.6	9,001.2	9,173.9
Equals: Personal saving	184.7	172.8	151.8	104.6	205.4	47.4	-21.5	-158.9
Personal saving as a percentage of disposable personal income	2.4	2.1	1.8	1.2	2.3	.5	-.2	-.8
Addendum:								
Disposable personal income, billions of chained (2000) dollars ²	7,562.2	7,741.8	8,004.3	7,993.3	8,169.2	8,098.1	8,102.6	8,060.8

^r Revised

1. Personal income is also equal to national income less corporate profits with inventory valuation and capital consumption adjustments, taxes on production and imports less subsidies, contributions for government social insurance, net interest and miscellaneous payments, business current transfer payments, current surplus of government enterprises, and wage accruals less disbursements, plus personal income receipts on assets, and personal current transfer receipts.

2. Equals disposable personal income deflated by the implicit price deflator for personal consumption expenditures.

Table 11.—Corporate Profits: Level and Percent Change

	Billions of dollars										Percent change from preceding period					
	2002	2003	2004	Seasonally adjusted at annual rates						2003	2004	Quarterly rates				Quarter one year ago
				2004		2005						IV	I	II	III r	2005
				III	IV	I	II	III r								III r
Corporate profits with inventory valuation and capital consumption adjustments	886.3	1,031.8	1,161.5	1,117.2	1,219.5	1,288.2	1,347.5	1,293.1	16.4	12.6	9.2	5.6	4.6	-4.0	15.7	
Less: Taxes on corporate income	192.6	232.1	271.1	259.0	293.0	362.6	372.5	360.3	20.5	16.8	13.1	23.7	2.7	-3.3	39.1	
Equals: Profits after tax with inventory valuation and capital consumption adjustments	693.7	799.7	890.3	858.2	926.4	925.6	975.0	932.8	15.3	11.3	8.0	-1	5.3	-4.3	8.7	
Net dividends	399.2	423.2	493.0	475.9	589.3	494.9	506.3	520.1	6.0	16.5	23.8	-16.0	2.3	2.7	9.3	
Undistributed profits with inventory valuation and capital consumption adjustments	294.5	376.5	397.3	382.3	337.2	430.7	468.7	412.6	27.8	5.5	-11.8	27.7	8.8	-12.0	7.9	
Cash flow:																
Net cash flow with inventory valuation and capital consumption adjustments	1,036.6	1,130.8	1,196.9	1,219.1	1,143.8	1,239.2	1,280.9	1,324.9	9.1	5.8	-6.2	8.3	3.4	3.4	8.7	
Undistributed profits with inventory valuation and capital consumption adjustments	294.5	376.5	397.3	382.3	337.2	430.7	468.7	412.6	27.8	5.5	-11.8	27.7	8.8	-12.0	7.9	
Consumption of fixed capital	742.1	754.4	799.6	836.8	806.7	808.5	812.2	912.3	1.7	6.0	-3.6	.2	.5	12.3	9.0	
Less: Inventory valuation adjustment	-2.2	-13.3	-39.6	-36.9	-44.4	-39.1	-18.9	-27.5								
Equals: Net cash flow	1,038.9	1,144.1	1,236.6	1,256.0	1,188.3	1,278.3	1,299.8	1,352.4	10.1	8.1	-5.4	7.6	1.7	4.0	7.7	
Addenda:																
Profits before tax (without inventory valuation and capital consumption adjustments)	768.4	937.2	1,059.3	1,018.2	1,124.1	1,378.3	1,412.2	1,392.6	22.0	13.0	10.4	22.6	2.5	-1.4	36.8	
Profits after tax (without inventory valuation and capital consumption adjustments)	575.8	705.1	788.2	759.2	831.1	1,015.7	1,039.7	1,032.3	22.4	11.8	9.5	22.2	2.4	-.7	36.0	
Inventory valuation adjustment	-2.2	-13.3	-39.6	-36.9	-44.4	-39.1	-18.9	-27.5								
Capital consumption adjustment	120.1	107.9	141.8	135.8	139.8	-51.0	-45.8	-72.1	-10.2	31.4	2.9	-136.5	-10.1	57.3	-153.1	

r Revised

Table 12.—Corporate Profits by Industry: Level and Change From Preceding Period

[Billions of dollars]

	Level										Change from preceding period					
	2002	2003	2004	Seasonally adjusted at annual rates						2003	2004	2004		2005		
				2004		2005						IV	I	II	III r	
				III	IV	I	II	III r								
Corporate profits with inventory valuation and capital consumption adjustments	886.3	1,031.8	1,161.5	1,117.2	1,219.5	1,288.2	1,347.5	1,293.1	145.5	129.7	102.3	68.7	59.3	-54.4		
Domestic industries	730.5	855.8	976.6	931.3	1,040.9	1,094.8	1,150.3	1,069.9	125.3	120.8	109.6	53.9	55.5	-80.4		
Financial	301.1	330.9	322.7	264.4	341.6	377.6	350.7	278.8	29.8	-8.2	77.2	36.0	-26.9	-71.9		
Nonfinancial	429.4	524.9	653.9	666.9	699.3	717.1	799.6	791.1	95.5	129.0	32.4	17.8	82.5	-8.5		
Rest of the world	155.8	176.0	184.9	185.9	178.6	193.5	197.2	223.1	20.2	8.9	-7.3	14.9	3.7	25.9		
Receipts from the rest of the world	204.4	255.7	309.5	309.4	332.6	313.5	328.2	338.3	51.3	53.8	23.2	-19.1	14.7	10.1		
Less: Payments to the rest of the world	48.6	79.7	124.6	123.6	154.0	120.1	131.0	115.1	31.1	44.9	30.4	-33.9	10.9	-15.9		
Corporate profits with inventory valuation adjustment	766.2	923.9	1,019.7	981.3	1,079.7	1,339.2	1,393.3	1,365.1	157.7	95.8	98.4	259.5	54.1	-28.2		
Domestic industries	610.4	747.9	834.8	795.5	901.1	1,145.7	1,196.1	1,142.0	137.5	86.9	105.6	244.6	50.4	-54.1		
Financial	276.4	313.0	300.6	242.8	319.4	377.2	349.5	278.7	36.6	-12.4	76.6	57.8	-27.7	-70.8		
Federal Reserve banks	23.7	20.2	20.3	22.2	23.1	26.2	27.0	27.0	-3.5	.1	2.0	.9	.3	.8		
Other financial	252.7	292.8	280.3	222.7	297.1	354.2	323.2	251.7	40.1	-12.5	74.4	57.1	-31.0	-71.5		
Nonfinancial	334.0	434.9	534.2	552.7	581.7	768.5	846.6	863.3	100.9	99.3	29.0	186.8	78.1	16.7		
Utilities	10.6	11.4	12.1	11.4	14.1	23.7	26.4	19.7	.8	.7	2.7	9.6	2.7	-6.7		
Manufacturing	48.2	80.7	118.9	116.2	154.7	170.2	204.7	218.6	32.5	38.2	38.5	15.5	34.5	13.9		
Durable goods	-9.9	-4.1	34.8	42.2	58.8	35.5	59.9	62.0	5.8	38.9	16.6	-23.3	24.4	2.1		
Fabricated metal products	8.9	8.5	10.3	9.8	13.1	8.8	11.4	15.7	-4	1.8	3.3	-4.3	2.6	4.3		
Machinery	1.7	1.4	1.0	3.4	-2.6	.9	2.9	7.6	-3	-4	-6.0	3.5	2.0	4.7		
Computer and electronic products	-35.3	-16.1	-3.2	1.3	-2	.5	4.2	6.7	19.2	12.9	-1.5	.7	3.7	2.5		
Electrical equipment, appliances, and components	-1.1	1.9	.3	-3.0	6.8	-1.3	5.5	8.6	2.0	-1.6	9.8	-8.1	6.8	3.1		
Motor vehicles, bodies and trailers, and parts	-5.0	-11.6	-3.4	.7	1.3	-20.8	-15.7	-25.3	-6.6	8.2	2.0	-22.1	5.1	-9.6		
Other durable goods	20.0	11.9	29.9	31.4	40.5	47.3	51.6	48.8	-8.1	18.0	9.1	6.8	4.3	-2.8		
Nondurable goods	58.1	84.8	84.0	73.9	95.9	134.7	144.8	156.6	26.7	-8	22.0	38.8	10.1	11.8		
Food and beverage and tobacco products	24.9	23.5	24.0	23.4	20.5	39.6	37.7	40.8	-1.4	.5	-2.9	19.1	-1.9	3.1		
Petroleum and coal products	1.6	23.6	31.0	19.5	49.2	62.8	66.3	70.8	22.0	7.4	29.7	13.6	3.5	4.5		
Chemical products	18.4	20.8	13.5	16.3	8.4	18.8	20.5	22.7	2.4	-7.3	-7.9	10.4	1.7	2.2		
Other nondurable goods	13.2	16.9	15.6	14.7	17.8	13.5	20.3	22.3	3.7	-1.3	3.1	-4.3	6.8	2.0		
Wholesale trade	49.3	56.3	63.5	69.1	66.9	81.4	98.1	95.4	7.0	7.2	-2.2	14.5	16.7	-2.7		
Retail trade	79.4	87.7	90.0	81.9	87.7	104.6	109.1	116.9	8.3	2.3	5.8	16.9	4.5	7.8		
Transportation and warehousing	-.9	8.1	8.4	6.1	1.7	22.9	27.9	32.9	9.0	.3	-4.4	21.2	5.0	5.0		
Information	-8.5	-1.9	17.0	33.0	21.0	46.7	53.5	50.2	6.6	18.9	-12.0	25.7	6.8	-3.3		
Other nonfinancial	155.8	192.4	224.3	235.0	235.6	318.9	326.9	329.6	36.6	31.9	.6	83.3	8.0	2.7		
Rest of the world	155.8	176.0	184.9	185.9	178.6	193.5	197.2	223.1	20.2	8.9	-7.3	14.9	3.7	25.9		

r Revised

NOTE.—Estimates in this table are based on the 1997 North American Industry Classification System (NAICS).

Table 13.—Gross Value Added of Nonfinancial Domestic Corporate Business

	2002	2003	2004	Seasonally adjusted at annual rates				
				2004		2005		
				III	IV	I	II	III ^r
Billions of dollars								
Gross value added of nonfinancial corporate business	5,371.7	5,595.7	5,995.4	6,038.0	6,198.9	6,282.8	6,414.0	6,512.1
Consumption of fixed capital	643.6	652.6	690.3	722.0	696.2	697.5	700.4	792.8
Net value added	4,728.2	4,943.1	5,305.1	5,316.1	5,502.8	5,585.3	5,713.6	5,719.3
Compensation of employees	3,611.9	3,703.2	3,906.8	3,928.5	4,042.0	4,105.4	4,140.5	4,198.8
Wage and salary accruals	2,969.9	3,007.8	3,168.6	3,189.3	3,284.5	3,323.6	3,349.9	3,393.9
Supplements to wages and salaries	642.0	695.4	738.3	739.2	757.5	781.8	790.6	804.9
Taxes on production and imports less subsidies	465.5	486.5	519.1	520.6	529.9	537.7	547.9	553.7
Net operating surplus	650.8	753.4	879.2	866.9	930.9	942.2	1,025.2	966.8
Net interest and miscellaneous payments	167.4	166.2	164.9	162.1	162.1	167.0	167.3	172.8
Business current transfer payments	54.0	62.4	60.4	37.9	69.5	58.0	58.4	2.9
Corporate profits with inventory valuation and capital consumption adjustments	429.4	524.9	653.9	666.9	699.3	717.1	799.6	791.1
Taxes on corporate income	97.0	126.5	165.9	171.8	180.8	231.9	248.6	258.0
Profits after tax with inventory valuation and capital consumption adjustments	332.3	398.3	487.9	495.1	518.5	485.2	550.9	533.1
Net dividends	254.8	295.5	361.2	327.3	465.0	306.7	297.6	181.7
Undistributed profits with inventory valuation and capital consumption adjustments	77.5	102.8	126.7	167.8	53.5	178.5	253.4	351.4
Addenda:								
Profits before tax (without inventory valuation and capital consumption adjustments)	336.3	448.1	573.9	589.5	626.1	807.6	865.5	890.8
Profits after tax (without inventory valuation and capital consumption adjustments)	239.2	321.6	407.9	417.7	445.3	575.6	616.9	632.8
Inventory valuation adjustment	-2.2	-13.3	-39.6	-36.9	-44.4	-39.1	-18.9	-27.5
Capital consumption adjustment	95.3	90.0	119.7	114.2	117.6	-51.3	-47.0	-72.2
Billions of chained (2000) dollars								
Gross value added of nonfinancial corporate business ¹	5,269.7	5,418.2	5,714.1	5,756.2	5,895.9	5,943.3	6,046.0	6,107.0
Consumption of fixed capital ²	618.2	629.4	656.5	685.2	657.3	660.2	663.6	745.2
Net value added ³	4,651.5	4,788.8	5,057.6	5,071.0	5,238.6	5,283.1	5,382.4	5,361.7
Dollars								
Price, costs, and profits per unit of real gross value added of nonfinancial corporate business:								
Price per unit of real gross value added of nonfinancial corporate business ⁴	1.019	1.033	1.049	1.049	1.051	1.057	1.061	1.066
Compensation of employees (unit labor cost) .....	.685	.683	.684	.682	.686	.691	.685	.688
Unit nonlabor cost .....	.253	.252	.251	.250	.247	.245	.244	.249
Consumption of fixed capital .....	.122	.120	.121	.125	.118	.117	.116	.130
Taxes on production and imports less subsidies plus business current transfer payments .....	.099	.101	.101	.097	.102	.100	.100	.091
Net interest and miscellaneous payments .....	.032	.031	.029	.028	.027	.028	.028	.028
Corporate profits with inventory valuation and capital consumption adjustments (unit profits from current production) .....	.081	.097	.114	.116	.119	.121	.132	.130
Taxes on corporate income .....	.018	.023	.029	.030	.031	.039	.041	.042
Profits after tax with inventory valuation and capital consumption adjustments .....	.063	.074	.085	.086	.088	.082	.091	.087

^r Revised.

1. The current-dollar gross value added is deflated using the gross value added chain-type price index for non-financial industries from the GDP-by-industry accounts. For periods when this price index is not available, the chain-type price index for GDP goods and structures is used.

2. Chained-dollar consumption of fixed capital of nonfinancial corporate business is calculated as the product of

the chain-type quantity index and the 2000 current-dollar value of the corresponding series, divided by 100.

3. Chained-dollar net value added of nonfinancial corporate business is the difference between the gross value added and the consumption of fixed capital.

4. The deflator for gross value added of nonfinancial corporate business divided by 100.

NOTE.—Estimates in this table are based on the 1997 North American Industry Classification System (NAICS).

Appendix Table A.—Real Gross Domestic Product and Related Aggregates and Price Indexes: Percent Change From Preceding Period

	2002	2003	2004	Seasonally adjusted at annual rates																			
				2001				2002				2003				2004				2005			
				IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III				
Gross domestic product (GDP) and related aggregates:																							
GDP	1.6	2.7	4.2	1.6	2.7	2.2	2.4	0.2	1.7	3.7	7.2	3.6	4.3	3.5	4.0	3.3	3.8	3.3	4.1				
Goods	1.2	3.4	6.5	2.6	3.9	1.5	5.2	-5.2	4.3	2.3	16.8	2.9	7.2	4.7	6.6	3.9	4.4	5.0	5.3				
Services	2.5	2.2	2.7	2.8	2.5	3.4	1.7	2.9	.7	3.7	1.3	3.8	3.3	1.2	3.0	3.2	3.2	1.5	3.6				
Structures	-2.5	3.2	5.7	-8.5	-1	-2.7	-3.0	3.1	-9	8.2	13.6	4.1	.6	13.1	1.2	2.2	5.2	8.4	3.3				
Motor vehicle output	11.5	3.8	4.6	22.0	15.5	5.7	11.6	.5	.3	-2.5	22.6	-3.6	14.4	-7.3	3.0	8.8	4.3	-.3	17.6				
GDP excluding motor vehicle output	1.3	2.7	4.2	.9	2.3	2.1	2.0	.2	1.8	3.9	6.7	3.8	3.9	4.0	3.1	3.8	3.4	3.7					
Final sales of computers ¹	2.9	20.2	20.4	23.7	-7.6	.7	29.3	15.3	7.1	14.4	78.0	11.9	10.2	10.3	13.3	56.5	54.9	45.4	20.3				
GDP excluding final sales of computers	1.6	2.6	4.1	1.4	2.8	2.2	2.2	.1	1.7	3.6	6.8	3.5	4.2	3.4	3.9	3.0	3.5	3.0	4.0				
Farm gross value added ²	6.8	8.4	0	94.2	-64.0	133.6	63.9	34.2	-22.3	27.0	-34.1	-13.1	89.8	-31.5	-11.3	-17.1	7.3	-31.1	20.9				
Nonfarm business gross value added ³	1.5	3.3	4.8	1.2	3.5	1.4	3.1	.1	2.0	4.7	10.4	2.8	4.2	4.6	4.6	3.9	4.3	4.4	4.7				
Price indexes:																							
GDP	1.7	2.0	2.6	1.7	1.7	1.5	1.6	2.2	3.1	1.1	1.8	1.9	3.6	3.9	1.5	2.7	3.1	2.6	3.3				
GDP excluding food and energy	2.1	1.8	2.5	2.6	2.1	1.8	1.6	2.0	2.6	.9	1.6	1.7	3.3	3.4	2.0	2.6	2.9	2.4	2.8				
GDP excluding final sales of computers	2.0	2.2	2.7	1.9	1.9	1.7	1.7	2.4	3.2	1.2	2.0	1.9	3.7	3.9	1.6	2.9	3.3	2.8	3.5				
Gross domestic purchases	1.6	2.2	2.9	.6	1.5	2.5	1.7	2.2	4.1	.4	2.0	1.7	4.2	4.1	2.0	3.2	2.9	3.3	4.2				
Gross domestic purchases excluding food and energy	1.9	1.8	2.4	2.3	1.8	1.7	1.6	1.8	2.5	1.0	1.7	1.8	3.4	3.2	2.0	2.4	3.0	2.1	2.5				
Gross domestic purchases excluding final sales of computers to domestic purchasers	1.8	2.4	3.0	.9	1.7	2.6	1.9	2.4	4.3	.5	2.2	1.8	4.3	4.3	2.2	3.4	3.1	3.5	4.5				
Personal consumption expenditures (PCE)	1.4	1.9	2.6	-.6	.9	2.8	1.8	1.7	3.0	.6	2.0	1.3	3.9	3.8	1.5	3.1	2.3	3.3	3.7				
PCE excluding food and energy	1.8	1.3	2.0	2.6	1.3	1.8	1.9	1.2	1.1	1.0	1.5	1.4	2.7	2.5	1.5	2.3	2.4	1.7	1.4				
Market-based PCE ⁴	1.1	1.9	2.3	-.5	.6	2.8	1.7	1.7	3.1	.5	1.9	.9	3.4	3.7	1.1	2.8	2.1	3.4	3.9				
Market-based PCE excluding food and energy ⁴	1.5	1.2	1.5	1.6	.9	1.6	1.7	1.2	.8	1.0	1.4	.9	1.9	2.0	1.1	1.8	2.2	1.5	1.1				

r Revised

1. For some components of final sales of computers, includes computer parts.

2. Farm output less intermediate goods and services purchased.

3. Consists of GDP less gross value added of farm, of households and institutions, and of general government.

4. This index is a supplemental measure that is based on household expenditures for which there are observable price measures. It excludes most implicit prices (for example, the services furnished without payment by financial intermediaries) and the expenses of nonprofit institutions.

See "Explanatory Note" at the end of the tables.

Explanatory Note: NIPA Measures of Quantities and Prices

Current-dollar GDP is a measure of the market value of goods, services, and structures produced in the economy in a particular period. Changes in current-dollar GDP can be decomposed into quantity and price components. Quantities, or "real" measures, and prices are expressed as index numbers with the reference year -- at present, the year 2000 -- equal to 100.

Annual changes in quantities and prices are calculated using a Fisher formula that incorporates weights from two adjacent years. (Quarterly changes in quantities and prices are calculated using a Fisher formula that incorporates weights from two adjacent quarters; quarterly indexes are adjusted for consistency to the annual indexes before percent changes are calculated.) For example, the 2003-04 annual percent change in real GDP uses prices for 2003 and 2004 as weights, and the 2003-04 annual percent change in GDP prices uses quantities for 2003 and 2004 as weights. These annual changes are "chained" (multiplied) together to form time series of quantity and price indexes. Percent changes in Fisher indexes are not affected by the choice of reference year. (BEA also publishes a measure of the price level known as the implicit price deflator (IPD), which is calculated as the ratio of the current-dollar value to the corresponding chained-dollar value, multiplied by 100. The values of the IPD are very close to the values of the corresponding "chain-type" price index.)

Index numbers of quantity and price indexes for GDP and its major components are presented in this release in tables 5 and 6. Percent changes from the preceding period are presented in tables 1, 4, 7, and 8. Contributions by major components to changes in real GDP are presented in table 2.

Measures of real GDP and its major components are also presented in dollar-denominated form, designated "chained (2000) dollar estimates." For most series, these estimates, which are presented in table 3, are computed by multiplying the current-dollar value in 2000 by a corresponding quantity index number and then dividing by 100. For example, if a current-dollar GDP component equaled \$100 in 2000 and if real output for this component increased 10 percent in 2001, then the chained (2000) dollar value of this component in 2001 would be \$110 ($= \$100 \times 110 / 100$). Percent changes calculated from chained-dollar estimates and from chain-type quantity indexes are the same; any differences will be small and due to rounding.

Chained-dollar values for the detailed GDP components will not necessarily sum to the chained-dollar estimate of GDP (or to any intermediate aggregate). This is because the relative prices used as weights for any period other than the reference year differ from those of the reference year. A measure of the extent of such differences is provided by a "residual" line, which indicates the difference between GDP (or other major aggregate) and the sum of the most detailed components in the table. For periods close to the reference year, when there usually has not been much change in the relative prices that are used as weights, the residuals tend to be small, and the chained-dollar estimates can be used to approximate the contributions to growth and to aggregate the detailed estimates. For periods further from the reference year, the residuals tend to be larger, and the chained-dollar estimates are less useful for analyses of contributions to growth. Thus, the contributions to percent change shown in table 2 provide a better measure of the composition of GDP growth. In particular, for components for which relative prices are changing rapidly, calculation of contributions using chained-dollar estimates may be misleading even just a few years from the reference year.

Reference: "Chained-Dollar Indexes: Issues, Tips on Their Use, and Upcoming Changes," November 2003 Survey, pp. 8-16.